

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

**IN THE MATTER OF THE APPLICATION)
DELMARVA POWER & LIGHT COMPANY)
FOR APPROVAL OF MODIFICATION TO) PSC DOCKET NO. 15-1355
ITS GAS COST RATES)
(FILED AUGUST 27, 2015))**

**DIRECT TESTIMONY OF

MALIKA DAVIS

ON BEHALF OF COMMISSION STAFF**

JANUARY 8, 2016

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1 I. Introduction and Purpose of Testimony

2 **Q. Please state your name, business address, and current occupation.**

3 A. My name is Malika Davis. My business address is 861 Silver Lake Boulevard, Suite 100,
4 Dover, Delaware 19904. I am a Public Utility Analyst III for the Delaware Public Service
5 Commission ("PSC" or "Commission"). I have been employed as a Public Utility Analyst since
6 joining the Commission in March 2010.

7
8 **Q. What are your job responsibilities as a public utility analyst?**

9 A. I am responsible for the certification of Delaware electric suppliers, the monitoring of
10 Delmarva Power & Light's ("Delmarva" or the "Company") quarterly reports related to
11 customer service and operational issues, and the monitoring of Delmarva's quarterly rate of
12 return reports. I also monitor Delmarva's monthly reports for the gas cost rate recovery
13 schedules and quarterly hedging reports. I am part of the team that works with the Company
14 regarding issues related to customer education initiatives involving advanced metering
15 infrastructure and dynamic pricing. I have also served as the case manager in Delmarva's most
16 recent Environmental Surcharge Rider cases. Additionally, I served as the case manager for
17 Delmarva's most recent natural gas base rate case. I have also served as a case manager or
18 member of the rate case team for cases involving Commission regulated water companies.

19
20 **Q. What is your professional experience and educational background?**

21 A. I have a Bachelor of Science in Marketing and Business Administration and a Master of
22 Business Administration from Delaware State University. Prior to my employment with the PSC,
23 I was employed as a Management Analyst I with the Delaware Division of Motor Vehicles

1 (DMV). My duties included monitoring the Commercial Driver Licensing Program for
2 compliance with State and Federal laws and regulations, training driver license examiners,
3 issuance staff, and driver improvement staff, interacting with other State and Federal agencies,
4 representing the DMV at administrative hearings, applying for Federal grants and maintaining
5 compliance with Federal requirements for grant reporting. Before accepting the position with the
6 DMV, I was employed as a Labor Market Analyst with the Delaware Department of Labor in the
7 Office of Occupational Labor Market Information, where I was assigned to work on the
8 Occupational Employment Statistics program. I was also previously employed at Delaware State
9 University where I held several positions including Records Office Assistant/Secretary, Acting
10 Lead Student Services Generalist, Adjunct Instructor, and Career and Academic Advisor for the
11 College of Business.

12
13 **Q. What is the purpose of your testimony?**

14 A. I was assigned to review Delmarva's Application for a Change in Its Annual Gas Cost
15 Rates (the "Application") to ensure that the proposed rates are just and reasonable, and that they
16 comply with Delmarva's gas service tariff. In my testimony I have included a recommendation
17 to the Commission with regard to the treatment of this Application.

18
19 II. Summary of Conclusions

20 **Q. Please summarize your conclusions and recommendations.**

21 A. After reviewing the Application and responses to data requests I have formed the
22 following conclusions and recommendations:

- The Gas Cost Rates (“GCR”) requested in the Application for November 1, 2015, through October 31, 2016, and approved by the Commission on a provisional basis in Order No. 8785, should be approved as final. These rates will be subject to a true-up in Delmarva’s next GCR proceeding based on actual gas procurement costs and revenue during this period.
- The requested tariff changes should be approved.
- The Company is complying with the settlement agreement in Docket 14-0295F.
- The Company should continue with its actions to mitigate increases in fixed costs with regard to pipeline charges, storage services and peaking sources.

III. Background of the Application

A. Summary and Review of the Application

Q. Please summarize the Application.

A. The GCR is the rate that the Company charges its customers to recover its natural gas costs for the twelve month period from November 1st through October 31st of each year, also known as the Gas Cost Year (“GCY”). The Company’s gas service tariff requires an annual estimated GCR filing to be made by August 31st of each year. The gas service tariff also contains a provision for reconciling over- or under-recoveries from a preceding year. The GCR recovers the Company’s total purchased gas costs. Components of the purchased gas costs include commodity purchases, transportation, demand, storage, capacity charges, and hedging costs. Any refunds received from the Company’s suppliers are credited against the GCR.

The Application shows a projected over-recovery balance of \$5,336,515 for the period ending October 31, 2015. The rates effective November 1, 2015, are based on projected sales data and gas costs for the twelve-month period November 1, 2015, through October 31, 2016.

Q. What changes to the current GCR is the Company proposing?

A. On August 27, 2015, Delmarva filed an Application to revise the GCR demand and commodity charge applicable to Service Classifications Medium Volume Gas Service (“MVG”) and Large Volume Gas Service (“LVG”), to revise the volumetrically applied GCR factors applicable to Service Classifications Residential Gas Sales Service (“RG”), General Gas Sales Service (“GG”), Gas Lighting Sales Service (“GL”), and non-electing MVG, effective on November 1, 2015, with proration. Additionally, the Company seeks approval for the proposed balancing charge for the November 2015 – October 2016 GCR period and approval of changes to Tariff Leaf No. 41 to become effective November 1, 2015.

Below is an illustration of the modifications Delmarva is proposing to its GCR:

Rate Schedules	Current	Proposed	Change from Current
RG, GG, GL	53.563¢/ccf	39.467¢/ccf	(14.096)¢/ccf
LVG and MVG	N/A	\$1.7022/Mcf	N/A
LVG and MVG Demand	\$9.8132/Mcf of MDQ	N/A	N/A
Non-Electing MVG Commodity	\$3.5695/Mcf	\$2.2445/Mcf	(\$1.3250)/Mcf
LVG and Electing MVG Commodity	Varies Monthly	Varies Monthly	N/A

Q. How would the proposed changes to the GCR impact Delmarva’s residential customers?

1 A. An average residential space heating customer using 120 ccf during a winter month will
2 experience a decrease of \$16.91 or around 13%, in the total bill. I have attached a bill calculation
3 (Attachment MD-1) showing the percentage of the total bill associated with the GCR change.
4

5 **Q. Please explain the impact of the proposed GCR changes for all other customers.**

6 A. Commercial and Industrial customers will experience decreases ranging from 0.8% to
7 12.0% depending on load and usage characteristics. GG customers will experience a decrease on
8 their bills in the range of 5.9% to 16.3%.
9

10 **Q. Please explain your review of the Application.**

11 A. I reviewed the Company's Application, including testimonies and exhibits; prior GCR
12 dockets, orders, and documents regarding follow-up issues; and the 2014-2015 quarterly hedge
13 reports. I also reviewed the natural gas demand supply plan for this Application and the strategic
14 gas supply plan for the period 2015/2016 through 2020/2021.

15 In addition to information obtained through discovery, I have participated in meetings
16 with various Company personnel involved with the GCR. I also performed monthly audits of
17 Delmarva's GCR sales, revenues, and costs.
18

19 **Q. Were you assisted in your review of this filing?**

20 A. Yes. Mr. Jerry Mierzwa, Vice-President of Exeter Associates, Inc., was retained by the
21 Commission to assist Staff and the Division of the Public Advocate ("DPA") in reviewing the
22 GCR filing, the Company's Supply Plan, and evaluating the Company's procurement activities

1 against established regulatory standards. Mr. Mierzwa's review focused on gas procurement
2 practices and policies.

3
4 **B. Assessment of the Application**

5
6 **Q. What actions did you take in preparing for this filing?**

7 A. Prior to the Company filing this Application, I was involved in auditing the Company's
8 gas costs. Each month the Company submits regulatory reports to the Commission. I review the
9 report entitled "Comparison of Gas Expense and Recovery" each month. This report provides
10 totals for firm sales, total GCR revenue, total gas cost, the Company's monthly over- or under-
11 recovery, the deferred fuel balance (year-to-date), and the percentage over- or under-recovery.
12 The Company also supplies reports addressing the development of annual commodity and
13 demand expenses, summarizing the sales and gas cost rate revenues for the various service
14 classifications, and summarizing all pipeline purchases, storage injections and withdraws, and
15 hedge program financial settlements.

16 Each month the Company submits back-up to these reports consisting of:

- 17
- 18 • Changes of MVG & LVG contract MDQs in Mcf.
 - 19 • Spreadsheets detailing all line item charges to firm and non-firm transportation
20 customers.
 - 21 • Accounting reports for accounts such as: Gas System Purchases, Gas Injections and
22 Withdraws, Flexibly Priced Sales ("FPS") costs, and Revenues from Off-System
Capacity.

- Monthly GCR sales totals back-up for Residential, MVG (electing and non-electing), and LVG customers.

C. 2014/2015 Gas Cost Rate Proceeding

Q. Please summarize the provisions of the settlement agreement reached in the previous year's GCR, Docket No. 14-0295F, and your understanding of the Company's compliance with those provisions.

A. The Commission entered Order No. 8767 on August 4, 2015, and approved the settlement agreement that arose out of last year's GCR. There were five provisions of the settlement agreement. Below is a brief summary of each provision and the Company's compliance with each issue.

1. GCR Rates:

The parties agreed that Delmarva would implement the rates proposed in the filing. Staff's review of the Company's gas service tariff leaves show that it has complied with this provision.

2. Natural Gas Hedging Program:

The parties agreed that Delmarva would continue to execute its Gas Hedging Program in accordance with the settlement approved in Docket No. 08-266F and further continue to hold quarterly hedge meetings to discuss and review the program. Staff, DPA, and the Company have continued to have quarterly meetings to discuss the hedging reports that the Company submits.

3. Lost and Unaccounted for ("LAUF") Gas:

1 The parties agreed that Delmarva would submit a report to Staff and the DPA in
2 accordance with the provisions of Paragraph 13 of the settlement agreement in Docket No. 12-
3 419F approved by the Commission in Order No, 8397, dated June 18, 2013. As a result of the
4 report, the deferred fuel balance was to be trued-up with interest in the 2015-2016 GCR filing.
5 The Company submitted the report on April 30, 2015. Page 1 of Schedule KMM-5 shows that
6 the current GCR filing was credited \$2,758,730 for the LAUF adjustment.

7 4. Improving the GCR Process:

8 The parties agreed to work together to investigate a framework for future GCR filings
9 that would improve the GCR process, including but not necessarily limited to, modifications to
10 existing tariff provisions that will minimize unrecovered costs carried into subsequent GCR
11 filings. The parties met on May 21, 2015 to discuss improving the process. As a result of the
12 meeting a streamlined process for GCR filings was developed.

13 5. Demand Cost Allocation:

14 The parties agreed that the Company's GCR Application for 2015-2016 would eliminate
15 the separate allocation of demand costs to RG, GG and MVG customers. Witness McEvoy
16 provides testimony regarding the elimination of these separate costs on pages 3-4 of her
17 testimony.

18
19 **D. 2013/2014 Gas Cost Rate Proceeding**

20 **Q. Please summarize the outstanding issue from Docket No. 13-349F, and the**
21 **Company's compliance regarding that issue.**

1 A. On or before October 1, 2014, the Company was to submit a regulatory filing to the
2 Commission in which the Company would propose changes to the balancing fees associated with
3 its GCR.

4 On September 19, 2014, the parties met to discuss the balancing charges and Delmarva
5 requested an extension of the filing deadline. PSC Order No. 8649 was signed on September 30,
6 2014. This Order allowed time for the Company to further refine the regulatory filing and
7 extended the deadline to January 5, 2015. The deadline was further extended to February 2, 2015
8 per PSC Order No. 8701 signed on January 6, 2015. The Company made filing on February 3,
9 2015 (Docket No. 15-0671) to propose changes to the methodology for calculating the balancing
10 fees associated with the GCR. Two workshops were held in order for interested parties to
11 provide comment and suggestions regarding the Company's proposal. The evidentiary hearing
12 for Docket 15-0671 took place on January 6, 2016. The parties are awaiting the Hearing
13 Examiner's Report.

14 **E. Forecasted Gas Sales and Supply Costs**

15

16 **Q. Please summarize the projected sales forecast for the November 2015 – October**
17 **2016 GCR.**

18 A. The Company used the same methodology it used in Docket No. 14-0295F to forecast its
19 sales for the current GCR. The forecasts for Residential, Residential Space Heat, and General
20 Gas customers are projected using a multi-variant econometric model. The larger rate classes'
21 forecasts are determined on a customer-by-customer basis using sales patterns, production and
22 maintenance schedule changes, and load additions or deletions. Normal weather is defined as the

30-year average of monthly Heating Degree Days on a 65 degree Fahrenheit base (“HDD”), which is consistent with Commission Order No. 6327 in Docket No. 03-137.

Delmarva projects the firm throughput volume for November 2015 through October 2016 to increase from the prior GCY. Firm sales and firm transportation are expected to increase by 6.2% and 1.7%, respectively, as shown below.

	2014-2015 forecast	2015-2016 forecast	Change	% Change
Firm Bundled Sales	12,035,925 Mcf	12,837,624 Mcf	801,699 Mcf	6.2%
Firm Transportation	6,190,234 Mcf	6,298,077 Mcf	107,843 Mcf	1.7%
Firm Throughput	18,226,159 Mcf	91,135,701 Mcf	909,542 Mcf	4.8%

Q. Was there any difference in the data source used to obtain normal weather in this year’s GCR?

A. No. The HDD history is based on NOAA weather data collected at the “Wilmington” site located at the New Castle County Airport, New Castle, Delaware. This is consistent with Order No. 6327 in Docket No. 03-137, which directed the Company to use NOAA data once it became available to Delmarva’s Gas Delivery division. The Company began using NOAA data in the 10-295F GCR case.

Q. What is the Company’s current recovery balance?

A. The Comparison of Gas Expense and Recovery report submitted in November 2015 showed an over-recovery balance of \$5,160,150 or 6.8% for the period ending October 31, 2015 based on twelve months of actual data. This amount includes the \$432,137 deferred fuel balance, minus \$8,718 in interest, at October 31, 2014.

1 **Q. What percentage loss factor did the Company use in this Application to account for**
2 **gas that is lost and unaccounted for?**

3 A. The Company used a 2.5% loss factor. This is the same loss factor that was used in the
4 Company's previous application. The Company derived the loss factor based on calculations of
5 lost and unaccounted for gas for 12-month, 24-month, and 36-month periods ending June 30,
6 2015.

7
8 **Q. Please discuss how the forecasted spot purchase costs were developed.**

9 A. The Company used the NYMEX gas futures closing prices on August 10, 2015, as its
10 spot (wholesale) gas price. The Company believes that using a different methodology is not
11 likely to provide a more accurate GCR forecast. This methodology is in compliance with
12 Delaware PSC Order No. 6956 from Docket No. 05-312F, which states that:

13 (a) Delmarva will use the NYMEX natural gas futures as the primary
14 tool in establishing its proposed gas cost rate each year;

15 (b) Delmarva will use the NYMEX gas futures prices based upon a
16 single day's close or an average of two or more days of closing
17 prices selected from actual gas futures closing prices observed
18 between July 20 and August 20 each year;

19 (c) Delmarva will use a consistent gas futures forecasting
20 methodology from year-to-year unless, in its good faith business
21 judgment, the Company believes that market indicators suggest
22 that a different methodology is likely to provide a more accurate
23 gas cost rate forecast.

1
2 **Q. Please summarize the projected natural gas commodity costs for the November 2015**
3 **– October 2016 GCR.**

4 A. Storage withdrawals are estimated to make up 23% of the commodity requirements, with
5 an estimated cost of \$3.29 per Mcf. Hedged purchases are estimated to make up 17% of
6 commodity requirements, with an estimated cost of \$3.26 per Mcf. Spot purchases are estimated
7 to make up 60% of commodity requirements with an estimated cost of \$3.24 Mcf. The Company
8 is currently estimating commodity costs of \$34,464,994 for the current GCR period.

9
10 **Q. Please summarize the Company's projected fixed costs for the November 2015 -**
11 **October 2016 GCR.**

12 A. The Company is projecting fixed gas costs totaling \$27,922,891 for the 2015-2016 GCR
13 period. This estimate includes costs related to pipeline capacity and supply, costs for storage and
14 seasonal services, and costs for supplemental/peaking sources. The projected fixed costs are
15 \$90,635 or .33% higher than in the previous year's GCR projection. According to witness
16 Jacoby's testimony, increases in firm transportation costs, storage and seasonal services, and
17 supplemental peaking services attributed to the slight increase in fixed costs.

18
19 **Q. How do these costs relate to the fixed costs in the previous year's GCR**
20 **periods?**

21 A. Attachments MD-2 through MD-4 depicts the changes in fixed costs over the past three
22 years.

- 1 • In comparing the projected costs for the GCR period November 2012-October 2013 to
2 the projected costs for November 2013-October 2014, the transportation and storage
3 contracts were projected to increase by \$1,043,265 or 3.67%. (Attachment MD-2)
- 4 • In comparing the projected costs for the GCR period November 2013-October 2014 to
5 the projected costs for November 2014-October 2015, the transportation and storage
6 contracts were projected to decrease by \$1,626,559 or 5.52% (Attachment MD-3)
- 7 • In comparing the projected costs for the GCR period November 2014-October 2015 to
8 the projected costs for November 2015-October 2016, the transportation and storage
9 contracts are projected to increase by \$90,635 or 0.33% (Attachment MD-4)

10
11 **Q. Do you have any recommendations regarding the fixed costs?**

12 A. Yes. The Company should continue to take steps to mitigate increases in fixed costs
13 when managing its pipeline capacity and storage portfolio.

14
15 **Q. Is the Company proposing a change the Transportation Balancing Fee assessed on**
16 **the imbalance volumes of all transportation service customers?**

17 A. Yes. The Company is proposing to decrease the Transportation Balancing Fee from
18 \$0.3388 per Mcf to \$0.3310 per Mcf. Additionally, the Company is proposing a change to Tariff
19 Leaf 41, which would make the availability of gas sales service to those taking service under
20 non-core or Transportation Service “subject to the availability of the Company’s gas supply and
21 adequate gas transmission and distribution system capabilities”.

1 **Q. Is the Company proposing a change in the methodology for calculation the 2015-**
2 **2016 GCR?**

3 A. Yes, the Company has eliminated the Average/Excess Method of allocating the demand
4 expenses between the various GCR customer classes, and the associated rate designed based on
5 Maximum Daily Quantity which was applied to MVG and LVG. This change is consistent with
6 Paragraph 12 in the Settlement Agreement for Docket 14-0295F.

7
8 **F. Capacity Release and Off-System Sales**
9

10 **Q. What is the Company's forecasted off-system sales and capacity release revenues?**

11 A. The Company forecasts that it will receive \$5,071,042 in gross margins from off-system
12 sales and capacity release transactions.
13

14 **Q. Is the Company complying with the margin sharing parameters in accordance with**
15 **PSC Order No. 7658?**

16 A. It appears that it is. The Application included a schedule detailing actual and estimated
17 off-system sales and capacity release revenues from November 2015 through October 2016. The
18 Company provided additional information related to off-system sales and capacity release in
19 response to data requests.
20

21 **IV. Gas Cost Rate Recommendations**
22

23 **Q. Do you agree with the Company's request to modify its GCR factors?**

1 A. Yes, the request appears reasonable. I recommend that the Commission approve the rates
2 that were previously authorized on a temporary basis, subject to refund, for the 2015-2016 GCR
3 period. The GCR true-up process will provide reconciliation between currently-projected gas
4 costs and actual gas costs.

5 **Q. Does this conclude your testimony?**

6 A. Yes.

APPENDIX

Calculations based on residential customer using 120 ccf per winter month

Current		Proposed	
Customer Charge	\$ 11.52	Customer Charge	\$ 11.52
Commodity Charge*- 1st 50 ccf @.507390	\$ 25.37	Commodity Charge- 1st 50 ccf @.507390	\$ 25.37
Commodity Charge-over 50 ccf@.407140	\$ 28.50	Commodity Charge-over 50 ccf@.407140	\$ 28.50
Total Base Rate	\$ 65.39	Total Base Rate	\$ 65.39
ESR**	\$ 0.1464	ESR**	\$ 0.1536
GCR @\$.53563/ccf	\$ 64.28	GCR@\$.39467/ccf	\$ 47.36
TOTAL	\$ 129.16	TOTAL	\$ 112.90
Overall \$ Decrease			\$ (16.91)
Overall % Decrease			-13.0%
\$ Decrease due to GCR			\$ (16.92)
% Decrease due to GCR			-26.3%

* Commodity Charges based on PSC Docket 12-546

** ESR= \$.00122/ccf based on PSC Docket 14-0296 Proposed ESR= \$.00128 based on PSC Docket 15-1333

Attachment MD-2

Delmarva Power & Light Company
Firm Transportation & Storage Contract Portfolio

Summary of Projected Fixed Gas Costs

Pipeline Capacity & Supply	2012-2013 Total Costs	2013-2014 Total Costs	Year-to-year Change	Percentage Change
TRANSCO FT	\$9,367,336	\$11,132,445	\$1,765,109	18.84%
COLUMBIA FTS	\$1,963,044	\$1,850,304	(\$112,740)	-5.74%
TRANSCO SENTINEL FT	\$5,027,605	\$5,024,320	(\$3,285)	-0.07%
TETCO, TRUNK & PEPL	\$1,872,093	\$1,804,652	(\$67,441)	-3.60%
TRANSCO LEIDY-LINE FT	\$217,905	\$268,568	\$50,663	23.25%
GULF FTS-1 & FTS-2	\$1,161,586	\$1,161,586	\$0	0.00%
EASTERN SHORE FT365	\$3,906,660	\$3,906,660	\$0	0.00%
EASTERN SHORE T-1	\$66,432	\$66,432	\$0	0.00%
EASTERN SHORE E-3 SURCHARGE	\$288,053	\$288,053	\$0	0.00%
TRANSCO SENTINEL METER UPGRADE	\$892,246	\$502,700	(\$389,546)	-43.66%
SUBTOTAL	\$24,762,960	\$26,005,720	\$1,242,760	5.02%
Storage & Seasonal Services				
TRANSCO GSS	\$1,489,870	\$1,654,838	\$164,968	11.07%
COLUMBIA FSS	\$540,376	\$364,044	(\$176,332)	-32.63%
COLUMBIA SST	\$711,410	\$505,722	(\$205,688)	-28.91%
TRANSCO PS-3	\$160,034	\$123,176	(\$36,858)	-23.03%
TRANSCO ESS	\$498,968	\$521,621	\$22,653	4.54%
TRANSCO WSS	\$215,211	\$246,632	\$31,421	14.60%
SUBTOTAL	\$3,615,869	\$3,416,033	(\$199,836)	-5.53%
Supplemental Peaking Sources				
DELMARVA LNG	\$0	\$-	\$0	
TRANSCO LNG	\$36,722	\$37,063	\$341	0.93%
SUBTOTAL	\$36,722	\$37,063	\$341	0.93%
TOTAL	\$28,415,551	\$29,458,816	\$1,043,265	3.67%

Source- Schedule JBJ-2 Docket No. 13-349F

Attachment MD-3

Delmarva Power & Light Company
Firm Transportation & Storage Contract Portfolio

Summary of Projected Fixed Gas Costs

Pipeline Capacity & Supply	2014-2015 Total Costs	2013-2014 Total Costs	Year-to-year Change	Percentage Change
TRANSCO FT	\$9,846,038	\$ 11,132,445	\$ (1,286,407)	-11.56%
COLUMBIA FTS	\$1,960,128	\$ 1,850,304	\$ 109,824	5.94%
TRANSCO SENTINEL FT	\$5,025,415	\$ 5,024,320	\$ 1,095	0.02%
TETCO, TRUNK & PEPL	\$1,795,423	\$ 1,804,652	\$ (9,229)	-0.51%
TRANSCO LEIDY-LINE FT	\$238,290	\$ 268,568	\$ (30,278)	-11.27%
GULF FTS-1 & FTS-2	\$1,161,586	\$ 1,161,586	\$ -	0.00%
EASTERN SHORE FT365	\$3,906,660	\$ 3,906,660	\$ -	0.00%
EASTERN SHORE T-1	\$66,432	\$ 66,432	\$ -	0.00%
EASTERN SHORE E-3 SURCHARGE	\$288,053	\$ 288,053	\$ -	0.00%
TRANSCO SENTINEL METER UPGRADE	\$468,846	\$ 502,700	\$ (33,854)	-6.73%
SUBTOTAL	\$ 24,756,871	\$ 26,005,720	\$ (1,248,849)	-4.80%
Storage & Seasonal Services				
TRANSCO GSS	\$1,491,398	\$ 1,654,838	\$ (163,440)	-9.88%
COLUMBIA FSS	\$364,044	\$ 364,044	\$ -	0.00%
COLUMBIA SST	\$536,658	\$ 505,722	\$ 30,936	6.12%
TRANSCO PS-3	\$0	\$ 123,176	\$ (123,176)	-100.00%
TRANSCO ESS	\$460,559	\$ 521,621	\$ (61,062)	-11.71%
TRANSCO WSS	\$194,053	\$ 246,632	\$ (52,579)	-21.32%
SUBTOTAL	\$ 3,046,712	\$ 3,416,033	\$ (369,321)	-10.81%
Supplemental Peaking Sources				
DELMARVA LNG	\$0	\$ -	\$0	
TRANSCO LNG	\$28,673	\$ 37,063	\$ (8,390)	-22.64%
SUBTOTAL	\$28,673	\$ 37,063	\$ (8,390)	-22.64%
TOTAL	\$ 27,832,256	\$ 29,458,816	\$ (1,626,560)	-5.52%

Source- Schedule JBJ-2 Docket No. 14-0295F

Delmarva Power & Light Company
Firm Transportation & Storage Contract Portfolio

Summary of Projected Fixed Gas Costs

	2016-2016 Total Costs (Projected)	2014-2015 Total Costs (Projected)	Year-to-year Change	Percentage Change
Pipeline Capacity & Supply				
TRANSCO FT	\$9,916,615	\$9,846,038	\$70,577	0.72%
COLUMBIA FTS	\$1,980,504	\$1,960,128	\$20,376	1.04%
TRANSCO SENTINEL FT	\$5,042,203	\$5,025,415	\$16,788	0.33%
TETCO, TRUNK & PEPL	\$1,829,813	\$1,795,423	\$34,390	1.92%
TRANSCO LEIDY-LINE FT	\$239,551	\$238,290	\$1,261	0.53%
GULF FTS-1 & FTS-2	\$1,161,598	\$1,161,586	\$12	0.00%
EASTERN SHORE FT365	\$4,031,520	\$3,906,660	\$124,860	3.20%
EASTERN SHORE T-1	\$66,456	\$66,432	\$24	0.04%
EASTERN SHORE E-3 SURCHARGE	\$96,018	\$288,053	(\$192,035)	-66.67%
TRANSCO SENTINEL METER UPGRADE	\$470,131	\$468,846	\$1,285	0.27%
	\$	\$		
SUBTOTAL	24,834,409	24,756,871	\$77,538	0.31%
Storage & Seasonal Services				
TRANSCO GSS	\$1,498,488	\$1,491,398	\$7,090	0.48%
COLUMBIA FSS	\$362,448	\$364,044	(\$1,596)	-0.44%
COLUMBIA SST	\$542,394	\$536,658	\$5,736	1.07%
TRANSCO ESS	\$461,809	\$460,559	\$1,250	0.27%
TRANSCO WSS	\$194,585	\$194,053	\$532	0.27%
	\$	\$		
SUBTOTAL	3,059,724	3,046,712	\$13,012	0.43%
Supplemental Peaking Sources				
DELMARVA LNG	\$0	\$0	\$0	
TRANSCO LNG	\$28,759	\$28,673	\$86	0.30%
	\$	\$		
SUBTOTAL	\$28,759	\$28,673	\$86	0.30%
	\$	\$		
TOTAL	27,922,892	27,832,256	\$90,636	0.33%

Source- Schedule JBJ-2 Docket No. 15-1355